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# SENATE BILL No. 111

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 22-4-15-1.

**Synopsis:** Unemployment compensation. Provides that a person who voluntarily leaves employment without good cause or is discharged for just cause is ineligible to receive benefits until the person earns remuneration equal to or exceeding the weekly benefit amount of the person's claim for four weeks, instead of eight weeks. Provides that a person who leaves one job for a higher paying job is not automatically disqualified from receiving unemployment insurance benefits if the person is separated from employment in the second job without just cause. Provides that an employee who is discharged for violation of an attendance policy is not considered to have been discharged for just cause if the employee can show good cause for the absences or tardiness. Provides that "good cause" includes: (1) compelling family obligations; (2) sexual harassment; and (3) financial inability of the individual to maintain two separate residences.

**Effective:** July 1, 2001.

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January 8, 2001, read first time and referred to Committee on Pensions and Labor.

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Introduced

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## SENATE BILL No. 111

A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 22-4-15-1 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. (a) With respect to  
3 benefit periods established on and after July 6, 1980, an individual who  
4 has voluntarily left his employment without good cause in connection  
5 with the work or who was discharged from his employment for just  
6 cause is ineligible for waiting period or benefit rights for the week in  
7 which the disqualifying separation occurred and until he has earned  
8 remuneration in employment equal to or exceeding the weekly benefit  
9 amount of his claim in each of ~~eight (8)~~ **four (4)** weeks. If the  
10 qualification amount has not been earned at the expiration of an  
11 individual's benefit period, the unearned amount shall be carried  
12 forward to an extended benefit period or to the benefit period of a  
13 subsequent claim.  
14 (b) When it has been determined that an individual has been  
15 separated from employment under disqualifying conditions as outlined  
16 in this section, the maximum benefit amount of his current claim, as  
17 initially determined, shall be reduced by twenty-five percent (25%). If

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1 twenty-five percent (25%) of the maximum benefit amount is not an  
 2 even dollar amount, the amount of such reduction will be raised to the  
 3 next higher even dollar amount. When twenty-five percent (25%) of the  
 4 maximum benefit amount, as initially determined, exceeds the unpaid  
 5 balance remaining in the claim, such reduction will be limited to the  
 6 unpaid balance.

7 (c) The disqualifications provided in this section shall be subject to  
 8 the following modifications:

9 (1) An individual shall not be subject to disqualification because  
 10 of separation from his prior employment if:

11 (A) he left to accept with another employer previously secured  
 12 permanent full-time work which offered reasonable  
 13 expectation of betterment of wages or working conditions and  
 14 thereafter was ~~employed on said job for not less than ten (10)~~  
 15 ~~weeks; discharged from employment without just cause (as~~  
 16 ~~defined in subsection (e));~~

17 (B) having been simultaneously employed by two (2)  
 18 employers, he leaves one (1) such employer voluntarily  
 19 without good cause in connection with the work but remains  
 20 in employment with the second employer with a reasonable  
 21 expectation of continued employment; or

22 (C) he left to accept recall made by a base-period employer.

23 (2) An individual whose unemployment is the result of medically  
 24 substantiated physical disability and who is involuntarily  
 25 unemployed after having made reasonable efforts to maintain the  
 26 employment relationship shall not be subject to disqualification  
 27 under this section for such separation.

28 (3) An individual who left work to enter the armed forces of the  
 29 United States shall not be subject to disqualification under this  
 30 section for such leaving of work.

31 (4) An individual whose employment is terminated under the  
 32 compulsory retirement provision of a collective bargaining  
 33 agreement to which the employer is a party, or under any other  
 34 plan, system, or program, public or private, providing for  
 35 compulsory retirement and who is otherwise eligible shall not be  
 36 deemed to have left his work voluntarily without good cause in  
 37 connection with the work. However, if such individual  
 38 subsequently becomes reemployed and thereafter voluntarily  
 39 leaves work without good cause in connection with the work, he  
 40 shall be deemed ineligible as outlined in this section.

41 (5) An otherwise eligible individual shall not be denied benefits  
 42 for any week because he is in training approved under Section

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236(a)(1) of the Trade Act of 1974, nor shall the individual be denied benefits by reason of leaving work to enter such training, provided the work left is not suitable employment, or because of the application to any week in training of provisions in this law (or any applicable federal unemployment compensation law), relating to availability for work, active search for work, or refusal to accept work. For purposes of this subdivision, the term "suitable employment" means with respect to an individual, work of a substantially equal or higher skill level than the individual's past adversely affected employment (as defined for purposes of the Trade Act of 1974), and wages for such work at not less than eighty percent (80%) of the individual's average weekly wage as determined for the purposes of the Trade Act of 1974.

(6) An individual is not subject to disqualification because of separation from the individual's prior employment if:

(A) the prior employment was outside the individual's labor market;

(B) the individual left to accept previously secured full-time work with an employer in the individual's labor market; and

(C) the individual actually became employed with the employer in the individual's labor market.

(7) An individual who, but for the voluntary separation to move to another labor market to join a spouse who had moved to that labor market, shall not be disqualified for that voluntary separation, if the individual is otherwise eligible for benefits. Benefits paid to the spouse whose eligibility is established under this subdivision shall not be charged against the employer from whom the spouse voluntarily separated.

As used in this subsection, "labor market" means the area surrounding an individual's permanent residence, outside which the individual cannot reasonably commute on a daily basis. In determining whether an individual can reasonably commute under this subdivision, the department shall consider the nature of the individual's job.

(d) As used in this section, "good cause" includes the following:

**(1) Compelling family obligations of the individual.**

**(2) Sexual harassment of the individual in connection with the individual's employment.**

**(3) Financial inability of the individual to maintain two (2) separate places of residence.**

(e) "Discharge for just cause" as used in this section is defined to include but not be limited to:

(1) separation initiated by an employer for falsification of an

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1 employment application to obtain employment through  
2 subterfuge;

3 (2) knowing violation of a reasonable and uniformly enforced rule  
4 of an employer;

5 (3) unsatisfactory attendance, **if including a violation of a**  
6 **reasonable and uniformly enforced attendance rule of an**  
7 **employer, unless** the individual ~~cannot~~ **can** show good cause for  
8 absences or tardiness;

9 (4) damaging the employer's property through willful negligence;

10 (5) refusing to obey instructions;

11 (6) reporting to work under the influence of alcohol or drugs or  
12 consuming alcohol or drugs on employer's premises during  
13 working hours;

14 (7) conduct endangering safety of self or coworkers; or

15 (8) incarceration in jail following conviction of a misdemeanor or  
16 felony by a court of competent jurisdiction or for any breach of  
17 duty in connection with work which is reasonably owed an  
18 employer by an employee.

19 SECTION 2. [EFFECTIVE JULY 1, 2001] **This act applies to**  
20 **claims for benefits that are made after June 30, 2001.**

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